

FARMINGTON CITY

H. JAMES TALBOT

DOUG ANDERSON
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BRIGHAM N. MELLOR
CORY R. RITZ
JAMES YOUNG
CITY COUNCIL

DAVE MILLHEIM CITY MANAGER

City Council Staff Report

To: Honorable Mayor and City Council

From: David E. Petersen, Community Development Director

Date: October 20, 2015

SUBJECT: PLUMMER CONSERVATION EASEMENT AMENDMENT REQUEST

RECOMMENDATION

A vote is not anticipated for this item, but rather it is intended for discussion purposes only in order to receive guidance from the Mayor and City Council regarding the new uses proposed by Spencer Plummer for Buffalo Ranch and the staff recommendation related thereto (see enclosed table).

BACKGROUND

In conjunction with the overall master plan for the Farmington Ranches Conservation Subdivision, and the development thereof, on July 2, 2003, Viking Real Estate LLC conveyed a conservation easement to Farmington City encompassing approximately 300 acres along the City's west corporate limit line next to the marsh lands of the Great Salt Lake. The easement identifies permitted, conditional and prohibited uses, but for the most part, only those uses set forth in Exhibit B thereto are allowed.

Spencer Plummer, representing Viking Real Estate LLC, is requesting an amendment to the conservation easement to allow for the possibility of more uses on the property. Such requests must be reviewed and deliberated in accordance with the City's Conservation Easement Amendment Policy (see enclosed). In preparation for a future public hearing to consider the Plummer request, staff is seeking input from the Council specifically related to the enclosed table which provides a summary of said request and a staff recommendation. Council feedback will help in the final preparation of draft maps, exhibits, etc.

<u>Standard of Review</u>. Conservation easements exist in perpetuity and are intended to provide permanent protection and preservation of the encumbered property, and may be only amended under one or more of the following conditions set forth in Section 7 (see above referenced policy) as follows:

- a. The amendment represents a minor or incidental change which is not inconsistent with the conservation values or purposes delineated in the easement.
- b. The amendment corrects an error or oversight in the original conservation easement, including, but not limited to: correction of legal descriptions; inclusion of standard language unintentionally omitted; clarification of ambiguous language; clarification of obsolete terms; or clarification to aid in interpretation of the document in the future.
- c. The amendment addresses or responds to any condemnation or threat of condemnation of a portion or all of property encumbered by a conservation easement, and preserves, to the greatest extent possible, the conservation values and intent of the original easement.

Supplementary Information

- 1. Proposed new use table with staff recommendation.
- 2. Proposed conservation easement amendment request, Spencer Plummer, August 31, 2015
- 3. Farmington City Conservation Easement Amendment Policy
- 4. Existing Buffalo Ranch Conservation Easement

Respectively Submitted

David Petersen

Community Development Director

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Review and Concur

Vave Piells

Dave Millheim City Manager

TABLE: Summary of Proposed Uses with Staff Recommendations October 20, 2015

Proposed New Uses by Spencer Plummer	Staff Recommendation*		
	Yes/No	Notes	
Baseball Park	Maybe	Public use?	
Cemetery	Yes	Issues: Public? location and ground water?	
Bike Course	Maybe	Public use?	
Ski Lakes	No	Inconsistent with conservation values of property.	
Hay Storage Rental & Sales	Maybe	And if existing cluster of buildings is used.	
Renting Ranch Housing	Maybe	Allowed by zoning? No new housing.	
Recreational Golf Range	Maybe	Public use?	
Leasing Stalls	Maybe	Expansion of existing cluster of buildings?	
Cattle feed lot	No	Inconsistent with conservation values of property	
Growing pumpkins or corn	Maybe		
Pasture and Paddock rental	Maybe		
Raising grass hay & alfalfa	Yes		
Trailer Storage	No		
Wetlands Mitigation Bank	Yes		
Corporate or Executive Mtgs	Maybe	Did this occur before?	
Weddings & other Celebratory Parties	Maybe	It depends. And did this occur before?	
Leasing existing office space	Maybe	What type of office use?	
Wellness treatment center for adults and use of equine therapy	Maybe	Is it non-profit?	
Leasing arena for events	Maybe	What kind and magnitude of events?	
Recreational Archery course	Maybe	Public use?	
Vendor shows	No	Probably not	

Equine Sports Medicine	?	More information needed
Veterinary Clinic	Maybe	Magnitude of use? What type of animals?
Mechanics shop	No	
Rock Climbing	Maybe	Public use?
Gas station	No	
Storage units	No	
Recreational training	Maybe	Public use?
Golf Simulators & Golf Academy for Jr. Athletes	?	More information needed
Exclusive Duck Club	Maybe	More information needed
Recreational RV Campground	No	
55 & Up Community (i.e. Daybreak)	No	
Ranchettes	No	

^{*} Note: Initial response only. Recommendations will be judged by a number factors, including but not limited to: use of existing buildings, how implemented, location of use, public vs. private issues, legal opinions, etc.

BY CERTIFIED MAIL

Mayor H. James Talbot and Members of the City Council Farmington City 160 S Main Farmington, Utah 84025

Re: Amended Conservation Easement with Additional Commercial Uses Request

Dear Mayor Talbot and City Council,

Viking Real Estate, LLC (VRE), d.b.a. Buffalo Ranch is located West of the Farmington Ranches Subdivision consisting of 284 acres all within the corporate limits of Farmington.

Having invested 12 years and millions of dollars in infrastructure and improvements in this property, we love this community and realize VRE can offer more value with our 42 years of experience in business. We envision this large parcel of property as an exciting development and a future playground for Farmington Residents and other citizens in Ogden, Davis & Salt Lake County. Historically a grand scale equine facility and a globally recognized brand, the operations of Buffalo Ranch have raised and been home to the top horses in the world. Today, the ownership has expanded the commercial opportunities of the property, following the trend of the great King Ranch of Texas. We foresee grandparents, parents, and their grandkids spending commercial and recreational time at the Ranch, Park, and/or other activities that can be enjoyed just minutes from I-15, Station Park, and the future development of the Farmington Business Park. The Buffalo Ranch Park will be a place where young adults and families can find recreation, recovery, and regalement. This location will complement the city development of Farmington.

The Buffalo Ranch Park envisions a community on the westerly acreage, which would feature one of the greatest ski lakes available in Davis County for a water front property owner. VRE would expand the lake to the south and another lake west and find ways to offer the community ways to enjoy the property. There are no more water front lots available in Utah. There are several of these planned community ski lakes in Utah that would all be second fiddle to Farmington cities Buffalo Ranch Park. Those in Davis County, such as the East Layton Pond, east of Valley View golf course driving range, are not ideal and are not a benefit to all of the community. A couple of good comparables:

- A mature and highly successful private ski lake is Last Chance Lakes near Vernon, in Tooele County. 19 Lots.
- Still Water Lake Estates in Syracuse. 30 Lots on 50 acres. They recently held their Grand Open House August 15th.

These projects are not as ideally located as the Buffalo Ranch Lake Estates in Farmington. We would have over 100 acres dedicated to these lakes, which would be enjoyed by the homeowner, community, wildlife and waterfowl. Some of the easements could be maintained and managed by Farmington City for the open lake. This is an archetype plan to protect and enhance the open space for the Planning Commission, City Council, and Community Development Director. This type of recreational

development and use of the open space of the lakes would continue the moniker "the best city in the world to live in."

With the expanded uses and commercial opportunities of the property, we are requesting to amend our existing conservation easement to better clarify our commercial uses, specifically described in Exhibit B (enclosed) & Map w/legend (enclosed).

Phase 2

Please add the following commercial uses to the Amended Conservation Easement (described in Exhibit B).

VRE property is extremely unique and one of the large tracts doing business in Farmington City. These recreational opportunities allowed are not afforded to many other property owners. These uses will provide priceless memories to the community for generations. For me, the memories that never fade are the times I spent on the lake and around the horses. These approved uses marry the best of my life experiences.

We can provide the detail for each use with supporting research either from business plans, experienced operators, JV partners, or our own 40 years in business. Because Exhibit detail is robust, we can provide in our next meeting.

Please call me if you should need any clarification. Mayor Talbot, I look forward to working more with you and our City Council.

Sincerely,

Spencer D. Plummer (801) 884-9505 arc_of_flight@me.com

Cc: Viking Real Estate, LLC; Kelly MacFarlane; Dave Millheim, City Manager; Dave Petersen, Community Development Director

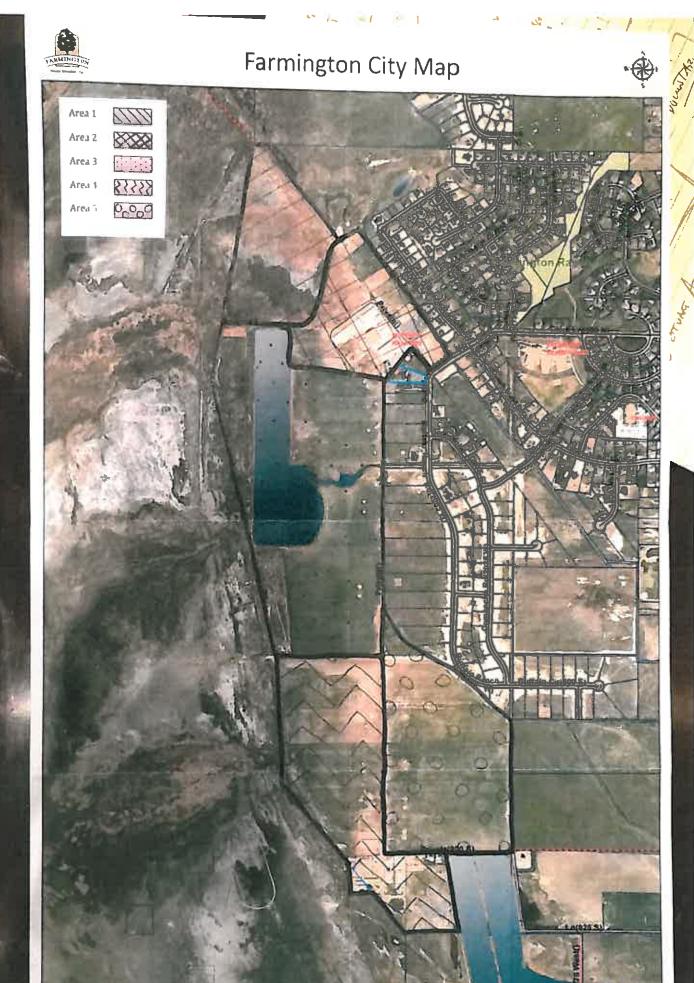
Viking Real Estate, LLC - EXHIBIT B

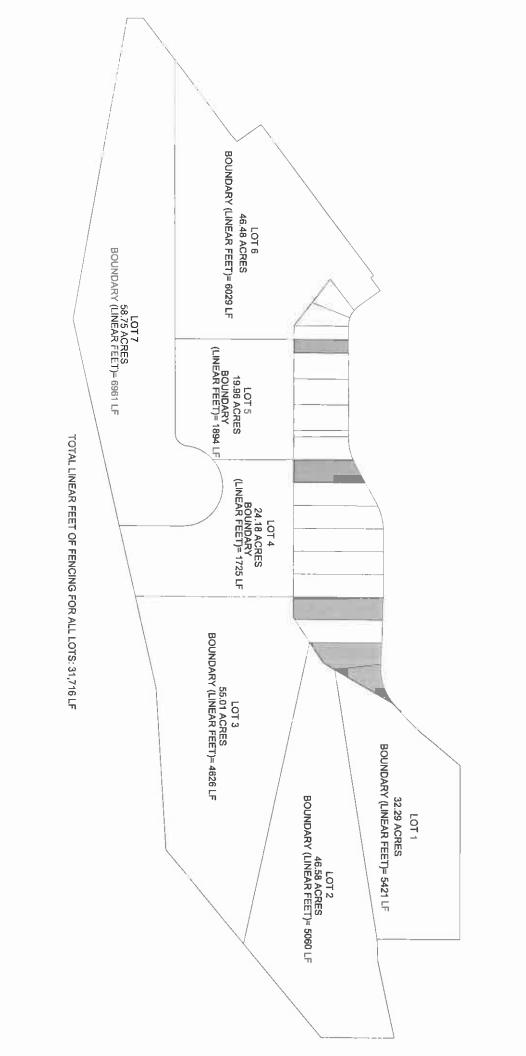
CONSIDERATIONS FOR OPEN SPACE

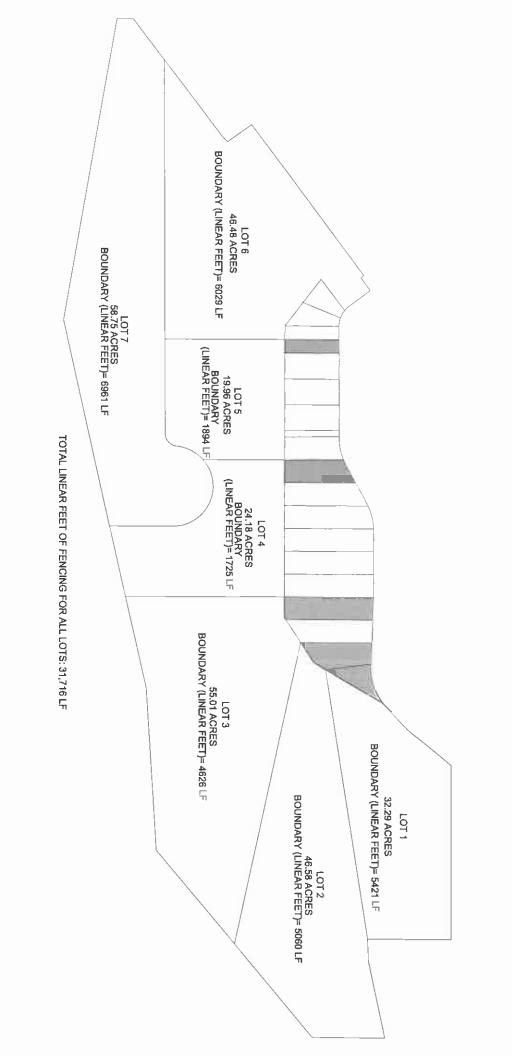
Use	Area Buildi	ng/Pad Description
Baseball Park	2 & 4	That would eclipse Barns Park
Cemetery	2	
Bike Course	2	Carve out a small piece for the Buffalo Ranch Park.
Ski L akes	3,4,5	Currently 25 acres – see the Farmington City Arial Map for a spectacular view. With the land, lake, and water rights, easily expand to the south and west. This would enhance Farmington City's visibility and increase traffic to Station Park and the other growing Central Farmington Business Parks. Farmington City is the perfect location. The lakes open space would be 1/3 to 1/2 of the property.

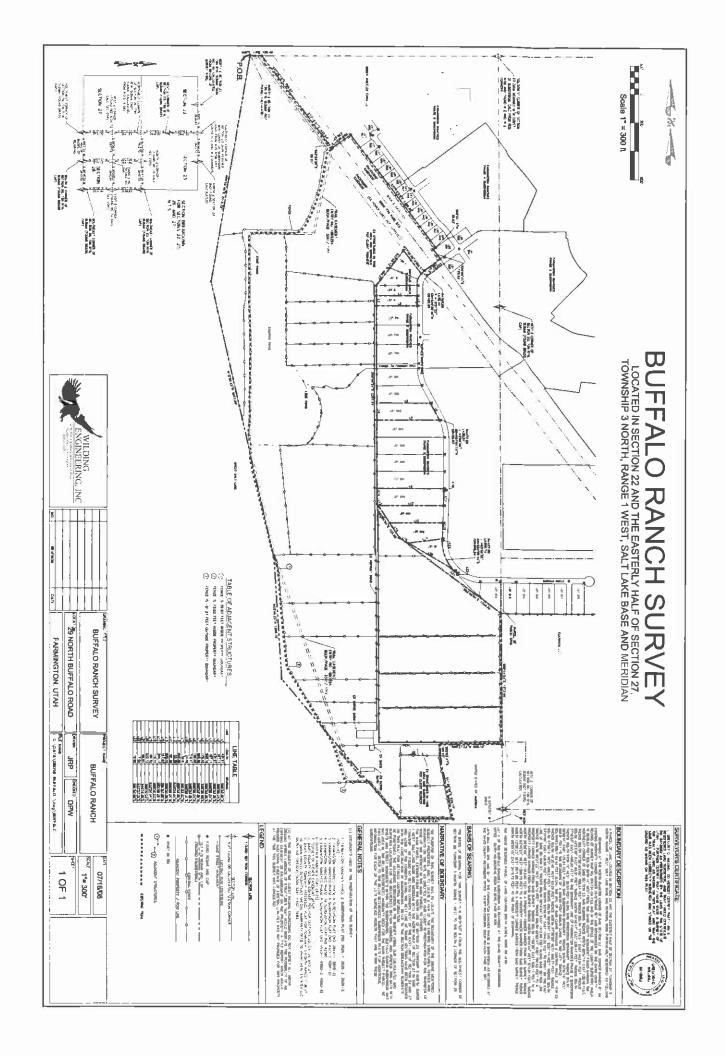
OTHER BUSINESS USES

OTHER BUSINESS USES			
Use	Area	Building/Pad	Description
Hay Storage Rental & Sales	ALL	1 & 12	
Renting Ranch housing	ALL	2, 8, 9, 10	
Recreational Golf Range (heated for winter)	ALL	5 or 6	
Leasing Stalls (\$450/month).	ALL	all buildings	
Cattle Feed Lot	ALL		
Growing pumpkins or com	ALL		Expansion as part of commercial business Park for Fall customers
Horse Trainer operations	ALL		(monthly training fee \$800 - \$1,500 per horse in stalls = \$104,000 - \$195,000 = per month training fees). Price varies for discipline.
Pasture and Paddock rental	ALL		
Pasture rental for horse events	ALL		
Raising grass hay & alfalfa	ALL		
Trailer storage	ALL		ALL of our customers have recreational trailers.
Wetlands Miligation Bank	ALL		Dr. Ron Kass study and delineation complete
Corporate or Executive Meetings	1	1	Includes 3rd Floor & 1st Floor Conference Room
Weddings & other Celebratory Parties	1	1	
Leasing existing office space	1	1 & 2	Bldg. 1 = 34,500 sq. ft.
Wellness treatment center for adults and	1	1 & 2	and adjacent fields for horses.
use of equine therapy			and adjacent neids for noises.
Leasing Arena for events	1	1 & 7	
Recreational Archery course	1	187	
Vendor shows	1	1 & 7	AQHA,NCHA and other shows that Legacy Events Center refers to Buffalo Ranch.
Equine Sports Medicine	1	ALL	Therapeutic training in swimming pools with treadmills designed for horses (has been done for over 20 years).
Veterinary Clinic	1	ALL	
Mechanics shop	4	11	
Rock Climbing	4	Silos	Two Blue Silos
Gas station	1 or 5	Pasture 1	I.e.` Kaysville Barns Park Maverik gas station (a home run for the citizens)
Storage Units	1, 2 & 4	5 & 6	
Recreational training	1,2,3	1 & 7	Soccer, Lacrosse, Baseball, Hockey, etc.
Golf Simulators & Golf Academy for Jr. Athletes	1,2,3	5 or 6	
Exclusive Duck Club	2 & 3		Limited number of memberships
Recreational RV Campground	2 & 4		
55 & UP COMMUNITY (i.e.' Daybreak)	3,4,5		We have a lot of family in this demographic and have found there are very few communities that offer what our property can and will offer. Although the Mountain View Corridor runs directly through Daybreak, the City Fathers have appropriately changed master plans and the use of the property to improve and enrich the community.
Ranchettes	3,4,5		No change in zoning needed, only a defined use. Originally, Greentree Development and the City of Farmington worked on in 2008. This project would use our property as the land and the east residential lots as the home sites. Projected expectations for Ranchettes 24m.









FARMINGTON CITY CONSERVATION EASEMENT AMENDMENT POLICY

1. Farmington City Conservation Easements.

Farmington City is a governmental entity and a tax exempt entity under Section 501(c) of the Internal Revenue Code qualified to acquire conservation easements under the terms of the Land Conservation Easement Act, as set forth in Utah Code Ann. §§ 57-18-1, et seq., as amended. Farmington City has enacted Conservation Subdivision Ordinances, as more particularly set forth in Title 11, Chapter 12, of the Farmington City Municipal Code, providing for the development of subdivisions with incentives to preserve and provide for the conservation of open space and other sensitive and valued land within the City. Farmington City has acquired a number of conservation easements over and across various open space and conservation lands within the City and intends to acquire and provide for future conservation easements preserving and protecting open space and conservation lands within the City. Farmington City holds such conservation easements for the benefit of current and future generations and has the obligation to uphold such conservation easements in perpetuity for the purposes set forth therein.

2. Amending Conservation Easements in General.

Conservation easements are generally intended to provide for the permanent and perpetual protection and preservation of the encumbered property. By their terms, conservation easements are not generally permitted to be terminated or altered. It is very important to land conservation efforts to provide for and honor the permanence of conservation easement restrictions. If they are not treated as essentially unchangeable, landowners may be less willing to entrust the protection of their property to land trusts and/or to encumber their property with conservation easements. However, it has also been noted that it is unrealistic to expect that conservation easements must or should always preclude amendment. There are too many unknowns at the time of creation of a conservation easement, and it is often not possible to foresee and record for all time the best and sole use of property. As such, some jurisdictions have recognized that amendments to conservation easements may be necessary on occasion and under reasonable circumstances.

3. Farmington City Amendment Policy.

It is Farmington City's intent and desire to uphold the terms and conditions of conservation easements it holds and to preserve and protect the conservation values of all property so encumbered. Farmington City also recognizes the need to provide for amendments to such easements in limited circumstances as necessary. Any and all amendments to conservation easements held by Farmington City must be approached with great care and shall be approved only in limited circumstances in accordance with and subject to the amendment policies and procedures more particularly set forth herein.

4. Amendment Application.

Any person or entity that is the legal property owner of record of property encumbered by a conservation easement held by Farmington City desiring to amend the provisions of such conservation easement shall be required to file a written application for amendment with the City. All applications for amendment shall be signed by the property owner(s) of record, or his/her/its authorized agent, and filed with the Community Development Director. All applications for amendment shall include the following:

- a. A written description of the proposed conservation easement amendment, including suggested language for any text amendments;
- b. A statement of the grounds and reasons for the proposed amendments and sufficient evidence in support of the same, including discussion of the compliance of the amendment with the qualifications and criteria set forth in this Policy;
 - c. All maps and/or documents applicable to the proposed amendment;
- d. The names and addresses of all property owner(s) of record for the subject property encumbered by the conservation easement; and
- e. The fee required for conservation easement amendments as set forth in the City's Consolidated Fee Schedule.

5. Application Fee and Costs.

Unless specifically waived by the City, the application fee for a conservation easement amendment application shall be as set forth in the City's Consolidated Fee Schedule. The applicant shall also pay any staff, legal, and engineering fees incurred by the City in response to an application request. A "Professional Services Deposit" in an amount as set forth in the City's Consolidated Fee Schedule shall be collected at the time of application to cover these costs. Any unused deposit will be refunded to the applicant, and applicant will be responsible for any costs incurred above the amount collected for the Professional Services Deposit. Such fees shall be paid whether the application is approved or not. In addition, the City may condition approval of the amendment upon payment to a Conservation Easement Enforcement and Monitoring Fund of an amount sufficient to offset any increased monitoring or enforcement obligations of the City.

6. Application Review and Approval.

a. Community Development Director Recommendation. The Community Development Director, or his or her designee, shall review any application for amendment to a conservation easement. Such review shall include, at a minimum, a site visit to the subject property and a review of the original records of approval for the easement, including the stated conservation values of the subject easement. The Community Development Director shall prepare a written report of recommendation

regarding the proposed conservation easement amendment to the City Council for their review and consideration in accordance with the procedures set forth herein. The Community Development Director may request any further information, data or evidence deemed necessary from the applicant. Upon completion of his or her review, the Community Development Director shall forward his or her report of recommendation to the City Council.

- b. Notice and Public Hearing. The City Council shall provide at least fourteen (14) days advance notice of a public hearing to be held in consideration of the proposed conservation easement amendment. Such notice shall be provided by publishing in a daily newspaper of general circulation in the City. After proper notice, the City Council shall hold a public hearing on the proposed conservation easement amendment. In addition to the public hearing, the applicant shall be provided an opportunity to address the City Council regarding the amendment and to respond to any issues or comments made regarding the proposed amendment during public comment or raised by the City Council.
- c. City Council Review and Approval. The City Council shall review the application and record provided for the proposed amendment and shall consider relevant public comment regarding the same. The City Council shall further review and determine whether the proposed amendment meets the qualification and criteria set forth in this Policy. The City Council may thereafter approve or deny, in whole or in part, the application for amendment.
- d. Executed Recording. Most conservation easements, by their terms, require approval of the amendment by both the Grantor and the Grantee, or their authorized successors and assigns. Any amendments to a conservation easement permitted hereunder shall be in writing, signed by the required parties of interest, and recorded in the Davis County Recorder's Office.
- e. Easement Terms. In the event the terms of the subject conservation easement provide for greater noticing or procedural requirements for any amendment, such noticing and procedural requirements shall govern. The procedures and noticing provisions set forth herein are intended to be a minimum.

7. Conditions for Qualification.

Any request for amendment to a conservation easement will be reviewed by the City Council according to the procedures set forth in this Policy and will be approved only under one or more of the following conditions:

a. The amendment represents a minor or incidental change which is not inconsistent with the conservation values or purposes delineated in the easement.

- b. The amendment corrects an error or oversight in the original conservation easement, including, but not limited to: correction of legal descriptions; inclusion of standard language unintentionally omitted; clarification of ambiguous language; clarification of obsolete terms; or clarification to aid in interpretation of the document in the future.
- c. The amendment addresses or responds to any condemnation or threat of condemnation of a portion or all of property encumbered by a conservation easement, and preserves, to the greatest extent possible, the conservation values and intent of the original easement.

8. Mandatory Criteria.

Any request for amendment to a conservation easement will be reviewed by the City Council according to the procedures set forth in this Policy and will be approved only if all of the following criteria can be met:

- a. The amendment is consistent with the overall purposes of the conservation easement and will not be detrimental to or compromise the protection of the stated conservation values of the property.
- b. The amendment is substantially equivalent to or enhances the conservation values of the property, adds adjacent land, or achieves greater conservation of the property.
- c. The amendment is consistent with the City's goals for conservation of land under applicable City Ordinances and will not undermine the City's obligation to preserve and enforce conservation easements it has accepted.
- d. The amendment is the minimum change necessary to achieve the desired and acceptable purpose.
- e. The amendment is clearly warranted and in the best interest of public and subject property.
- f. Granting of the amendment will not set an unfavorable precedent for future amendment requests.
- g. The amendment does not adversely affect the City's qualification as holder of conservation easements.
- h. The amendment does not provide a private benefit to the landowner or any private party.

WHEN RECORDED, MAIL TO:

Farmington City
c/o City Manager
130 North Main
P.O. Box 160
Farmington, Utah 84025

E 1893293 & 3341 P 1691 RICHARD T. MOUGHAN, DAVIS CNTY RECORDER 2003 JUL 29 2:01 PM FEE 48.00 DEP MEC REC'D FOR WESTERN STRTES TITLE COMPANY

CERTIFIED AS A FULL TRUE

AND CORRECT COPY OF THE CONSERVATION EASEMENT IN ALL

(OPEN SPACE AND FARMLAND)

THIS CONSERVATION EASEMENT is made this value day of July, 2003, by VIKING REAL ESTATE, L.L.C., a Utah limited liability company (hereinafter "Grantor"), whose address is Attn: S. David Plummer, 877 Signal Hill, Fruit Heights, Utah 84037, in favor of FARMINGTON CITY, a Utah municipal corporation, (hereinafter "Grantee"), whose mailing address is P. O. Box 160, Farmington, UT 84025.

RECITALS:

WHEREAS, Grantor is the sole owner in fee simple title of certain real property located in Farmington City, Davis County, State of Utah, which property is more particularly described herein at Section 2, hereinafter referred to as the "Property"; and

WHEREAS, the Property possesses unique and sensitive natural, scenic, open space, wildlife, farmland, floodplain, and/or wetland values (collectively referred to as "conservation values") of great importance to the Grantor, the Grantee, Farmington City, and the public; and

WHEREAS, Grantor intends that the conservation values of the Property be preserved and maintained by continuation of the use of the Property in such a way which does not significantly impair or interfere with those values and which provides for appropriate ecological, ag_icultural, open space, recreational and educational uses of the Property; and

WHEREAS, Grantor intends to preserve and protect the conservation values of the Property in perpetuity through this Easement and dedication of the same to Grantee.

WHEREAS, Grantee is a tax exempt entity under Section 501(c) of the *Internal Revenue Code* qualified to acquire a conservation easement under the terms of *Utah Code Ann.* § 57-18-3, as amended.

NOW, THEREFORE, in consideration of the above and the covenants, terms, conditions, and restrictions contained herein, and pursuant to the laws of the State of Utah,

particularly the Utah Land Conservation Easement Act as set forth in *Utah Code Ann.* § 57-18-1, et seq., as amended, with the intention of making an irrevocable easement in perpetuity, Grantor hereby agrees and conveys as follows.

- 1. <u>Conveyance</u>. Grantor hereby grants and warrants to Grantee, a perpetual conservation easement as hereinafter defined (the 'Easement') over and across all the Property to preserve, restore and protect the natural, ecological, water, wildlife, open space, farmland, wetland, floodplain, scenic, educational and aesthetic values present on the Property, to have and to hold unto Grantee, its successors and assigns forever.
- (a) <u>Property</u>. The Property subject to this Easement consists of approximately 286 acres of the Farmington Ranches Conservation Subdivision Development located in Township 3 North, Range 1 West, Salt Lake Base and Meridian, Farmington City, Davis County, State of Utah, as more particularly described in **Exhibit "A,"** attached hereto and incorporated herein by this reference.
- 2. <u>Current Use and Condition of Property</u>. The Property presently consists of wetlands, pasture lands, agricultural structures including barn and silos, and natural open spaces and is located at approximately 100 North and 2000 West, Farmington, Utah. The existing, permitted, and conditional uses of the Property are more particularly described on the Use Map set forth in **Exhibit "B**," attached hereto and incorporated herein by this reference. The Property has the following specific conservation values: unique, sensitive, natural, ecological, educational, scientific, scenic, aesthetic, wildlife, farmlands, water resources, wetlands, riparian co.amunities, floodplains and open space.
- 3. <u>Purpose</u>. Grantor is the fee simple title owner of the Property and is committed to preserving the conservation values of the Property. The purpose of this Easement is to assure that the Property will be retained forever in its natural, scenic, agricultural and/or open space condition and to prevent any use of the Property that will significantly impair or interfere with the conservation values of the Property. Any use of the Property which may impair or interfere with the conservation values, unless expressly permitted in this Easement, is expressly prohibited. Grantor agrees to confine use of the Property to activities consistent with the purposes of this Easement and preservation of the conservation values of the Property.
 - Duration. The duration of the Easement shall be perpetual.
 - 5. <u>Permitted and Conditional Uses.</u>
 - (a) Subject to the terms and conditions set forth in this Easement, the following activities and/or uses of the Property are permitted:
 - Conservation of open land in its natural state.

- (ii) Agricultural uses, including raising crops, raising and breeding class "B" and "C" livestock, as defined by Farmington City Ordinances, and the training, breeding and selling of horses, excluding commercial livestock operations involving swine, poultry and mink, in designated areas only as delineated on Exhibit "B."
- (iii) Pastureland for sheep, cows and horses in designated areas only as delineated on Exhibit "B."
- (iv) Equestrian facilities for class "B" and "C" animals, as defined by Farmington City Ordinances, in designated areas only as delineated on Exhibit "B;" provided, enclosed riding arena(s) shall require a conditional use permit from the City of Farmington in accordance with the provisions of Subsection (b).
- (v) Underground utility facilities and easements for drainage, sewer, water, or other public facilities and purposes, including easements for maintenance access to such facilities, in locations as approved by the City of Farmington, subject to restoration of the Property to its natural condition within a reasonable time frame not to exceed ninety (90) days, unless otherwise agreed to in writing by the Grantee, which restoration shall be conducted to the reasonable satisfaction of the Grantee to protect and preserve the conservation values of the Property. Nothing contained herein shall prevent the continued use of existing above-ground utility facilities to the extent permitted by law as delineated on the Use Map set forth in Exhibit "B."
- (vi) Public streets approved by the City of Farmington in designated areas as set forth on approved subdivision plat(s) and access roads necessary for reasonable access to and for permitted and conditional uses in designated areas as delineated on Exhibit "B."
- (vii) Although fencing is not encouraged, existing fences may be repaired and replaced, and new fences may be built on the Property as necessary and appropriate in connection with permitted or conditional uses such as grazing and equestrian uses.
- (viii) Existing agricultural and residential structures and improvements may be repaired, reasonably enlarged and replaced at their current locations as delineated on Exhibit "B."
- (ix) Livestock grazing may be permitted on the Property in designated areas as delineated on Exhibit "B," provided that good range stewardship and proper management of livestock is provided. Livestock grazing shall not exceed a

degree of use described as good to excellent by the United States Department of Agriculture - Natural Resource Conservation Service, and shall not materially degrade or deteriorate the range resource, wildlife habitat Or conservation values of the Property.

- (b) Subject to the terms and conditions set forth in this Easement, the following activities and/or uses of the Property may be permitted as a conditional use, subject to obtaining a conditional use permit from the City of Farmington for such use in accordance with City Ordinances regarding the same:
 - (i) Non-commercial and non-motorized recreational use of the Property, such as trails, bikeways, playing fields and playgrounds, in designated areas only as delineated on Exhibit "B."
 - (ii) Community open space uses, such as village greens, commons, picnic areas, community gardens, trails, and similar low-impact passive recreational uses, excluding motorized vehicles, firearm shooting ranges and commercial uses, in designated areas only as delineated on **Exhibit "B."**
 - (iii) Accessory buildings and structures used solely in connection with permitted agricultural uses, such as barns, silos, and residential structures used solely to house farm owners or employees, in designated areas only as delineated on Exhibit "B." The location and construction of such accessory structures shall be consistent with the conservation and agricultural uses of the Property.
 - (iv) Educational structures and improvements in designated areas as delineated on Exhibit "B." The establishment of such structures and improvements shall be limited to education purposes and shall be consistent with the conservation and agricultural uses of the Property. Residential use of such structures may be permitted as part of the conditional use permit solely to house conservation easement management or enforcement personnel.
 - (v) Water structures, improvements, marshlands, wetlands, riparian communities and ponds may be established, constructed and maintained on the Property, provided such structures or improvements are consistent with the conservation purposes of this Easement.
- 6. <u>Prohibited Uses</u>. Any activity on or use of the Property not specifically listed as a permitted use or activity as set forth herein and/or any activity on or use of the Property which is inconsistent with the purpose of this Easement or detrimental to the conservation values is expressly prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited:

- (a) Any residential, commercial or industrial activity, except as expressly permitted in this Easement.
- (b) Any development, construction or location of any man-made modification or improvements such as buildings, structures, fences, roads, parking lots, or other improvement on the Property, except as expressly permitted in this Easement.
- (c) Any filling, dredging, excavating, mining, drilling, or exploration for and extraction of oil, gas, minerals or other resources from the Property.
 - (d) Any dumping or storing of ashes, trash, garbage or junk on the Property.
- (e) The manipulation or alteration of natural watercourses, wetlands, or riparian communities, except as expressly permitted herein or as approved by the City of Farmington as designated on approved subdivision plat(s), necessary for the use of the Property and then, in any event, only to the extent that such manipulation or alteration shall not result in a significant injury to or the destruction of significant conservation values.
- (f) Burning of any materials on the Property, except as necessary for agricultural, drainage and fire protection purposes.
- (g) The use of motor vehicles, including snowmobiles, all-terrain vehicles, motorcycles and other recreational vehicles, except as may be necessary to maintain and operate the Property and to maintain and operate utility lines running through the Property in accordance with the terms and conditions of such approved use and the maintenance plan for the Property.
- (h) Hunting or trapping for any purpose other than predatory or problem animal control on the Property.
- (i) Establishment or maintenance of any grazing or livestock feedlots on the Property, which shall be defined for purposes of this Easement as a permanently constructed confined area or facility within which the land is not grazed or cropped annually, for purposes of engaging in the business of the reception and feeding of livestock for hire.
 - (j) Any agricultural use of the Property not expressly permitted herein.
- (k) Advertising of any kind or nature on the Property and any billboards or signs; provided, directory and information signs may be displayed describing the Conservation Easement and prohibited or authorized use of the same and signs regarding any permitted or conditional use on the Property. Additional signs regarding permitted or

conditional uses on the Property or directory or information signs within the Conservation Easement shall comply with all applicable Farmington City Ordinances, including, but not limited to, the Farmington City Sign Ordinance, and all signs shall be consistent with the conservation and agricultural uses of the Property.

- (l) Any cutting of trees or vegetation, except as necessary for fire protection, thinning, elimination of diseased growth, control of non-native plant species, maintenance of landscaped areas, and similar protective measures Or those activities relating to permitted agricultural uses.
- (m) The change, disturbance, alteration, or impairment of the significant natural ecological features and values of the Property or the destruction of other significant conservation interests on the Property.
- (n) The division, subdivision or de facto subdivision of the Property; except for subdivision and dedication of the Property as necessary to dedicate approved trails within the Property, including the Great Salt Lake Shoreline Trail and the Cross Project Trail, as specifically delineated on Exhibit "B," or as necessary and desirable to dedicate a portion of the underlying fee to a qualified conservation organization in accordance with the purposes and intent of this Easement for the preservation, protection and enhancement of the conservation values of the Property.
- (o) Changing the topography of the Property by placing on it any soil, dredging spoils, land fill, or other material, except as necessary to conduct specific agricultural purposes or to construct other structures, conditions or improvements as permitted herein.
- (p) All other uses and practices inconsistent with and significantly detrimental to the stated objectives and purpose of the Easement.
- 7. <u>Rights of the Grantee</u>. Grantor confers the following rights upon Grantee to perpetually maintain the conservation values of the Property and to accomplish the purpose of this Easement.
 - (a) Grantee has the right to enforce the terms of this Easement for the purpose of preserving and protecting the conservation values of the Property.
 - (b) Grantee has the right to enter upon the Property at reasonable times to monitor or to enforce compliance with this Easement and to inspect and enforce the rights herein granted; provided that such entry shall not unreasonably interfere with the Grantor's use and quiet enjoyment of the Property.

- (c) Grantee has the right to enjoin and prevent any activity on or use of the Property that is inconsistent with the terms or purposes of this Easement and to preserve and protect the conservation values of the Property.
- (d) Grantee has the right to require restoration of the areas or features of the Property which are damaged by activity inconsistent with this Easement.
- (e) Grantee has the right to place signs on the Property which identify the Property as being protected by this Easement.
- (f) Grantee has the right to enter on the property to study and make ecological and scientific observation of the Property and its ecosystems.
- 8. <u>Duties of the Grantor</u>. Grantor retains ownership rights of the underlying fee simple title to the Property which are not expressly restricted by this Easement. In accordance with rights reserved in Grantor by this Easement, Grantor shall be subject to all terms, conditions and restrictions of this Easement and shall have the affirmative duty to refrain from conducting or causing to be conducted any action inconsistent with the purpose and provisions of this Easement and to take reasonable actions to preserve and protect the aesthetic, open space, farmland, floodplain, wetland and/or wildlife habitat values of the Property.

9. <u>Enforcement of Easement.</u>

- (a) Notice and Demand. If Grantee determines that Grantor is in violation of this Easement, or that a violation is threatened, the Grantee may provide written notice to the Grantor of such violation and request corrective action to cure the violation or to restore the Property. In the event Grantee determines that the violation constitutes immediate and irreparable harm, such notice shall not be required.
- (b) Failure to Act. If, for a 30-day period after the date of the written notice from Grantee to Grantor, the Grantor continues violating the Easement, or if the Grantor does not abate the violation and implement corrective measures requested by the Grantee, the Grantee may bring an action in law or in equity to enforce the terms of the Easement. The Grantee is also entitled to enjoin the violation through injunctive relief, seek specific performance, declaratory relief, restitution, reimbursement of expenses or an order compelling restoration of the Property. If the court determines that the Grantor has failed to comply with this Easement, the Grantor agrees to reimburse Grantee for all reasonable costs and attorneys fees incurred by the Grantee compelling such compliance.
- (c) Absence of Grantor. If the Grantee determines that the Easement is, or is expected to be, violated, the Grantee shall make good-faith efforts to notify the Grantor. If, through reasonable efforts, the Grantor cannot be notified, and if the Grantee determines that circumstances justify prompt action to mitigate or prevent impairment of

the conservation values, then the Grantee may pursue its lawful remedies without prior notice and without waiting for Grantor's opportunity to cure. Grantor agrees to reimburse Grantee for all costs reasonably incurred by Grantee in pursuing such remedies.

- (d) Actual or Threatened Non-Compliance. Grantor acknowledges that actual or threatened events of non-compliance under this Easement constitute immediate and irreparable harm. The Grantee is entitled to invoke the equitable jurisdiction of the court to enforce this Easement.
- (e) Injunctive Relief and Restoration. Any violation of the Easement shall be subject to termination through injunctive proceedings with the imposition of temporary restraining orders or through any other legal means, it being recognized that monetary damages and/or other non-injunctive relief would not adequately remedy the violation of the covenants and restrictions of the Easement. In addition, subject to the provisions set forth herein, the Grantee shall have the right to enforce the restoration of the portions of the Property affected by activities in violation of the Easement to the condition which existed at the time of the signing of this instrument.
- (f) Cumulative Remedies. The remedies set forth herein are cumulative. Any, or all, of the remedies may be invoked by the Grantee if there is an actual or threatened violation of this Easement.
- (g) Waiver. A delay in enforcement shall not be construed as a waiver of the Grantee's right to enforce the terms of this Easement.

10. Permitted Construction and Maintenance Activities.

- (a) Grantor hereby reserves the right to enter upon the Property to conduct the following activities: to construct such structures and improvements permitted herein in conjunction with permitted and conditional uses of the Property.
- (b) Grantor reserves the right to use, maintain, establish, construct and improve water sources, water courses, marshlands and ponds within the Property for uses permitted by this Easement, provided Grantor does not significantly impair or disturb the natural course of the surface water drainage or runoff flowing over the Property. Grantor may alter the natural flow of water over the Property in order to improve drainage of agricultural soils, reduce soil erosion, or improve the agricultural or wetlands potential of the Property, provided such alteration is consistent with the conservation purpose of this Easement. Grantor retains and reserves the right to use any appurtenant water rights sufficient to maintain the agricultural and educational productivity of the Property. Grantor shall not transfer, encumber, lease, sell or otherwise sever any water, mineral or other rights from title to the Property itself.

- (c) This Easement is subject to the rights of Grantor, Farmington City or any other agency or utility to enter upon the Property for the construction, installation, operation and maintenance of subsurface utilities as permitted herein. After exercise of rights retained herein, Grantor or the permitted entity or utility company in interest, shall take reasonable actions to restore the Property to its natural condition existing prior to the conduct of any of the foregoing activities.
- 11. Extinguishment of Development Rights. Except as otherwise reserved to the Grantor in this Easement, all development rights appurtenant to the Property are hereby released, terminated and extinguished, and may not be used on or transferred to any portion of the Property as it now or hereafter may be bounded or described, or to any other property adjacent or otherwise or used for the purpose of calculating permissible lot yield of the Property or any other property.
- 12. <u>Maintenance</u>. The Property shall be maintained by Grantor in accordance with the Maintenance Plan set forth as Exhibit "C," attached hereto and incorporated herein by this reference. Grantor shall be solely responsible for the upkeep and maintenance of the Property.
- 13. Taxes. Grantor shall pay all taxes, assessments, fees and charges of whatever description levied on or assessed against the Property, including any taxes imposed upon, or incurred as a result of, this Easement, and shall furnish Grantee with satisfactory evidence of payment upon request. If Grantee is ever required to pay any taxes or assessments on its interest in the Property, Grantor shall reimburse Grantee for the same.
- 14. <u>Indemnification</u>. Grantor shall hold harmless, indemnify, and defend Grantee and its members, directors, officers, employees, agents and contractors, and the successors and assigns of each of them, collectively referred to as the "Indemnified Parties," from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' fees, arising from or with respect to the Property, unless due to the gross negligence or willful misconduct of Grantee. Grantor shall keep the Property insured with comprehensive general liability insurance against claims for personal injury, death and property damage and shall name Grantee as an additional insured party on all such insurance policies, providing Grantee evidence of such insurance upon request.
- 15. Transfer of Grantee's Interest. If the Grantee determines that it no longer is able to inforce its rights under this instrument or that it no longer desires to enforce the rights, or desires to assign enforcement rights to a qualified organization under Section 501(c)(3) and/or 170(h)(3) of the Internal Revenue Code, the Grantee shall be entitled to convey in whole or in part all of its rights under this instrument and deliver a copy of this instrument to an organization designated by the Grantee and described in or contemplated by Section 501(c)(3) and/or 170(h)(3) of the Code, or the comparable provision in any subsequent revision of the Code, to ensure that the Easement is enforced. Furthermore, the Grantee is hereby expressly prohibited from subsequently transferring the Easement, whether or not for consideration, unless (a) the

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Grantee, as a condition of the subsequent transfer, requires that the conservation purposes which th. Easement is intended to advance continue to be carried out; and (b) the transferee is an organization qualifying at the time of the transfer as an eligible donee under Section 501(c)(3) and/or 170(h)(3) of the Code and regulations promulgated thereunder.

- Cessation of Grantee's Existence. If Grantee shall cease to exist or if the Grantee 16. is no longer authorized to acquire and hold conservation easements, then this Easement shall become vested in another entity. Any successor entity shall be a qualified organization for the purposes of Section 501(c)(3) and/or 170(h)(3) of the Internal Revenue Code.
- Termination of the Easement. This Easement may be extinguished only by an 17. unexpected change in condition which causes it to be impossible to fulfill the Easement's purpose or by exercise of eminent domain in accordance with the provisions set forth herein. The fact that the Grantee may have title to the Property and therefore may become an Owner for purposes of this Easement shall not cause a termination of this Easement by operation of the doctrine of merger of otherwise. The Grantee shall not voluntarily or willingly allow the termination of any of the restrictions of this instrument, and if any or all of the restrictions of the Easement are nevertheless terminated by a judicial or other governmental proceeding, any and all compensation received by the Grantee as a result of the termination shall be used by the Grantee in a manuer consistent with the conservation purposes of the Easement. If subsequent circumstances render the purposes of this Easement impossible to fulfill, then this Easement may be partially or entirely terminated only by judicial proceedings.
- Transfer of Grantor's Interest. The Grantor shall incorporate the terms of this 18. Excement in any deed or other legal instrument by which it divests itself of any interest in all or any portion of the Property, including, without limitation, a leasehold interest. Any such transfer of interest shall be subject to the restrictions set forth in this Easement. The failure of the Grantor to perform any act required by this Paragraph shall not impair the validity of this Easement or limit its enforceability in any way. Upon proper and permitted conveyance of title to the Property, the Grantor shall be released from its obligations under this Easement.
- Notices. Any notice, demand, request, consent, approval, or communication shall be in writing and served personally or sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the following:

To Grantee:

Farmington City Attn: City Manager P.O. Box 160 130 North Main Farmington, Utah 84025 To Grantor:

VIKING REAL ESTATE, L.L.C Atm: S. David Plummer 877 Signal Hill Fruit Heights Utah 84037

or to such other address as the Grantee or Grantor shall from time to time designate by written notice.

- 20. <u>Title Warrantv.</u> Grantor warrants that it has good and sufficient title to the Property, free from all encumbrances except those set forth in **Exhibit "D,"** attached hereto and incorporated herein by this reference, and hereby promises to defend the same against all claims that may be made against it.
- 21. <u>Subsequent Encumbrances</u>. This Easement shall not restrict the right of Grantor or its successors or assigns to execute, deliver and record mortgages on the Property or to grant other rights or easements in respect of the Property, subject to the terms and conditions set forth herein. The grant of any easement or use restriction that might diminish or impair the agricultural viability of the Property or otherwise diminish or impair the conservation values of the Property is prohibited. Any lien or security interest of a mortgage and any easement or other right created subsequent to the date hereof shall be subject to and subordinate to this Easement.
- 22. <u>Environmental Warranty</u>. Grantor warrants that it has no actual knowledge or the catened release of hazardous substances or wastes on the Property, as such substances and wastes are defined by applicable law, and hereby promises to indemnify Grantee against, and hold Grantee harmless from, any and all loss, cost, claim, liability or expense, including reasonable attorney's fees arising from or with respect to any release of hazardous waste or violation of environmental laws with respect to the Property, unless due to the gross negligence or willful misconduct of Grantee.
- 23. <u>Recordation</u>. The Grautee shall record this instrument in timely fashion in the official records of Davis County, Utah, and may re-record it at any time as may be required to preserve its rights in this Easement.
- 24. <u>Controlling Law</u>. The interpretation and performance of this Easement shall be governed by the laws of the State of Utah.
- 25. <u>Liberal Construction</u>. Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed in favor of the Easement to effect the purpose of this Easement and the policy and purpose of *Utah Code Ann.* § 57-18-1, et seq., as amended, and related provisions. If any provision in this instrument is found to be ambiguous,

an interpretation consistent with the purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.

- 26. <u>Severability</u>. If any provision of this Easement, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.
- 27. <u>Joint Obligation</u>. Subject to the provisions set forth herein, the obligations imposed by this Easement upon Grantor or Grantors shall be joint and several.
- 28. <u>Successors</u>. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the Grantee, the Grantor, and their respective personal representatives, heirs, successors, and assigns, and shall continue as a servitude running in perpetuity with the Property.
- 29. <u>Entire Agreement</u>. This Easement, together with all exhibits, sets forth the entire agreement of the parties with respect to the subject matter hereof and supercedes all prior discussions and understandings.
- 30. <u>Captions</u>. The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, Grantor has executed this instrument on the day and year first above written.

GRANTOR:

VIKING REAL ESTATE, L.L.C., a Utah limited

liability company

By:

member

Its: Manager

GRANTEE:

FARMINGTON CITY, a Utah municipal

corporation

David M. Connors, Mayor

ATTEST:

Farmington City Recorder

's County

GRANTOR'S ACKNOWLEDGMENT

STATE OF UTAH) :ss.	E 1893293 B 3341 P 1704			
COUNTY OF David	_)				
ESTATE, L.L.C., a Utah limited li was signed on behalf of said limited	worn did say ability comp d liability coi	that she/he is the Manager of VIKING REAL any, and that the within and foregoing instrument mpany by authority of its Articles of Organization liability company executed the same. Canada and the same.			
GRANTEE'S ACKNOWLEDGMENT					
STATE OF UTAH)				
COUNTY OF Drois	:ss.)				
On the day of July, 2003, personally appeared before me David M. Connors who being by me duly sworn did say that she/he is the Mayor of FARMINGTON CITY and that the within and foregoing instrument was signed on behalf of said City and duly acknowledged to me that said City executed the same.					
Notery Public I.MEDY L. LONGIX FOR 17th, UT 17025 November 29, 2003 Slate of Utah		Margh Lhomes Notary Public			

EXHIBIT "A"

LEGAL DESCRIPTION OF EASEMENT AREA

A parcel of land situate in Section 22 and Section 27, Township 3 North, Range 1 West, Salt Lake Base and Meridian, more particularly described as follows:

BEGINNING at the North Quarter corner of said Section 22, thence easterly along the north line thereof, North 89°51'14" East 126.48 feet; thence leaving said north line South 37°28'18" East 705.67 feet; thence South 37°16" 21" East 442.94 feet; thence South 42°23'39" East 69.91 feet; thence North 54°46'47" East 235.47 feet; thence South 37°16'53" East 1485.80 feet; thence South 53°51'19" West 202.72 feet to the beginning of a tangent curve to the left having a radius of 200.00 feet, thence along the arc of said curve 55.32 feet, through a central angle of 15°56'07"; thence North 37°36'00" West 309.62 feet; thence South 37°55'12" West 468.27 feet; thence South 00°06'24" East 2297.94 feet; thence South 33°24'04" East 426.96 feet; thence South 53°45'04" East 1344.32 feet; thence South 00°14'54" East 1372.96 feet; thence South 89°27'22" West 658.12 feet; thence South 02°02'47" East 169.62 feet; thence South 11°52'56" East 626.17 feet; thence North 89°44'44" West 574.91 feet; thence North 39°59'49" West 1913.90 feet; thence North 03°40'22" West 1280.75 feet; thence North 12°59'23" West 2971.99 feet; thence North 09°55'45" East 2415.72 feet to the point of beginning.

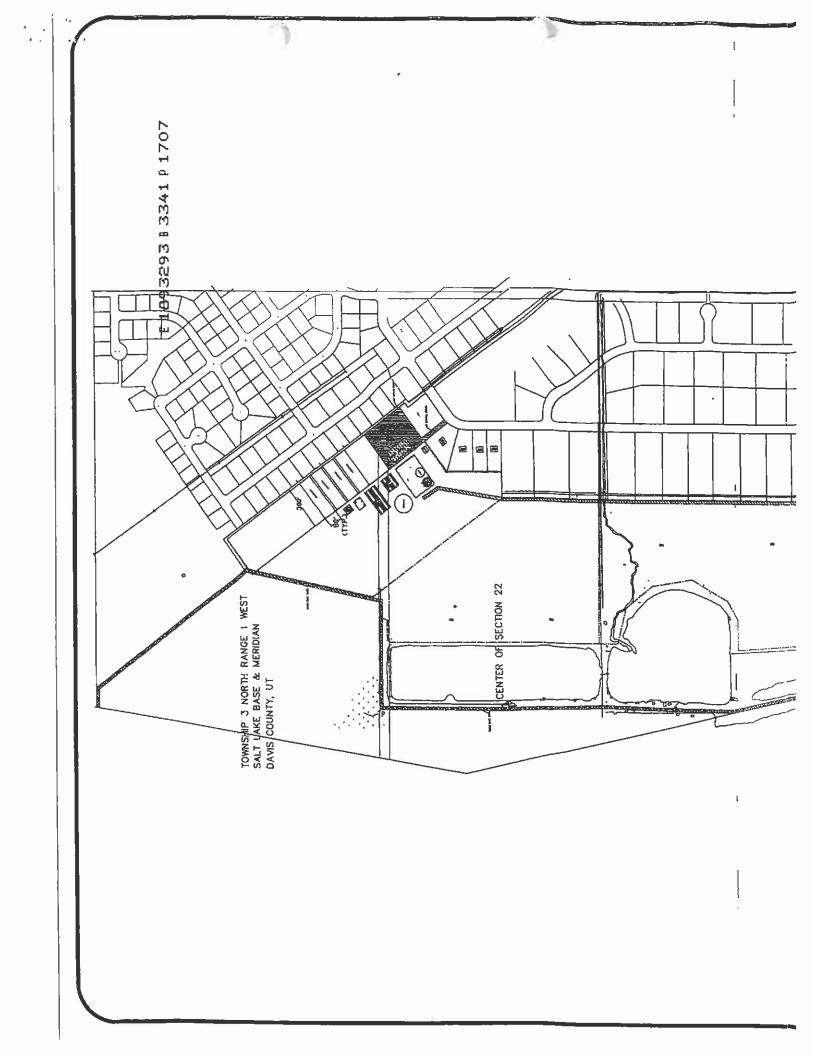
The parcel of land described above contains 282.437 acres, more or less.

08-069-0001 08-069-0002 08-069-0004;0005 08-069-0011 08-070-0002 08-083-0003;001-61

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EXHIBIT "B"

USE MAP OF EASEMENT



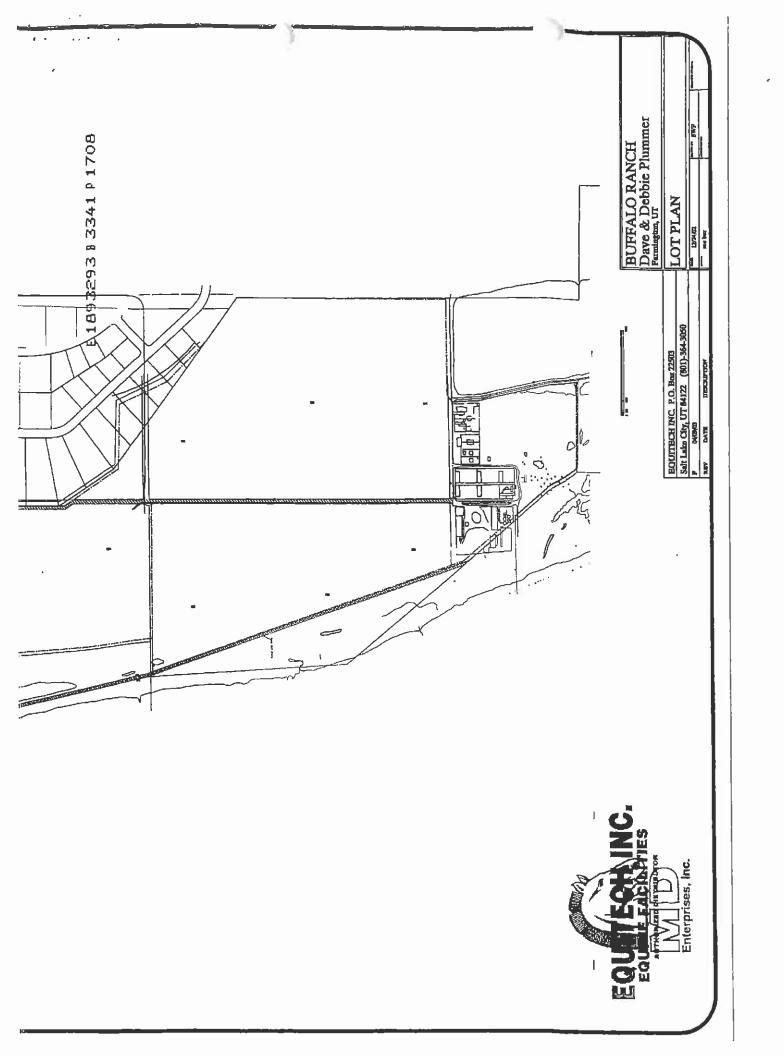


EXHIBIT "C"

MAINTENANCE PLAN

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Viking Real Estate, L.L.C. ("Viking"), Owner of approximately 286.778 acres in West Farmington City known as "Buffalo Ranch," as shown in Exhibit "A," is Grantor of this Conservation Easement which covers approximately 93 acres of Owner's property as shown in Exhibit "A," and shall be solely responsible for all maintenance conducted on the property covered by this Conservation Easement, which will include the following tasks:

- Irrigation;
- Weed abatement;
- Mowing of pasture lands;
- Lawn care and landscaping;
- Any other task needed to maintain pasturelands;
- Fence upkeep;
- Road upkeep;
- Building upkeep; and
- Any other task needed to maintain operations thereon.

Either Viking or Buffalo Ranch employees and/or independent contractors commissioned by Viking or Buffalo Ranch will complete and undertake the tasks listed above. Viking will be financially responsible for all maintenance.

Farmington City will remain financially responsible and chargeable for the upkeep and maintenance of all trails endowed to them by Viking via recorded easements.

EXHIBIT "D"

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LIST OF ACCEPTED ENCUMBRANCES